

State of the Nations:

Washington

To facilitate Washington's high-policy decisioning in the "Kennedy style" — which means with the least amount of formal and formidable machinery—a revamping of the National Security Council is under way.

The first public hint of changed regard for this council, which advises the President on the most critical diplomatic and security issues, emerged in the actual size of the National Security Council that President Kennedy summoned to meet with him the first time.

It was a fairly modest-sized group, with definitely an "inner cabinet" flavor to it. Present were the statutory members (the Vice-President; the Secretaries of State and Defense; the Director of Civil and Defense Mobilization; and, in advisory capacity, the Chairman of the Joint Chiefs of Staff; and the Director of the Central Intelligence Agency). Present also were the highly regarded Treasury Secretary; the United States Information Agency Director; the Budget Director; and only two White House assistants, the President's Science Ad-

viser and the Special Assistant for National Security Affairs.

In times past the NSC has, because of an effort to touch all bases, convened 20 to 40 persons: Cabinet members, military men, White House assistants. Mr. Kennedy does not work that way. The aim now is to "de-institutionalize" the NSC, make it into something unelaborate where the President can sit down with key men, hear all sides of an argument, and reach a decision without referrals back and forth.

The NSC was established by statute in 1947, in the light of wartime experience, to assist the President in making crucial decisions with full awareness and coordination of foreign policy, defense posture, financial and scientific limits, and psychological impact. President Truman made use of it; President Eisenhower convened it regularly and weekly.

Recent studies by the five-senator subcommittee headed by Senator M. Henry Jackson (D) of Oregon have

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termed the council cumbersome and diluted by differences in its search for solutions.

Now a White House group is pondering what changes are needed to make the system serve Mr. Kennedy's dictum for "daring and dissent." The Jackson report has been carefully studied, and the advice of Robert A. Lovett, onetime Defense Secretary and senior specialist in the machinery of decision, to whom President



Scott Long, Minneapolis Tribune
Missile Gap

(contd.)

Notes on Kennedy Appointments

President John Kennedy's cabinet and other appointments have elicited praise from all classifications of publications save communist and socialist. So, maybe they are in general good selections; this remains to be seen. But here are some notes on a few men whose appointments tend to upset the stomach.

Gov. Luther Hodges

The new Secretary of Commerce is a white supremacist. So what, if he is dealing only with commerce? So what is that three-fifths of the world is non-white, and for the United States to place a white supremacist in a cabinet position is a slap in the face to these people.

Hodges has appealed to Negroes in his speeches not to push their Supreme Court victories too rapidly. He has been severely criticized by Negro newspapers for referring to Negroes as "nigras."

C. Douglas Dillon

The new Secretary of the Treasury was a senior executive of Dillon, Read & Co., which was under prosecution by the Justice Department on a charge of investment banking monopoly. (This was reported by Drew Pearson on Dec. 14, 1960, but was censored out of the San Francisco Chronicle and other newspapers which carry Pearson's column.) Dillon, Read was also investigated by the Senate on the charge of bribing the finance minister of Bolivia in 1928 in connection with the flotation of the \$21,000,000 munitions loan which touched off the Chaco War with Paraguay.

Perhaps the blackest mark against Dillon, Read is that the firm floated around \$1 billion worth of American investors' money into Germany when Hitler needed it most to build up his wehrmacht.

While he was senior executive of Dillon, Read, Douglas Dillon reaped vast profits along with the rest of his firm from banking deals with the South African government. The deals included investments in South Africa's mines, which have sometimes been operated under more abominable conditions than the slave labor camps in Soviet Russia. These investments so angered Rep. Adam Clayton Powell of New York's Harlem district that he demanded Dillon's resignation as Under Secretary of State for Economic Affairs last year.

The point is that Dillon, as senior executive of the firm and as the son of the man who owns nearly all of the voting stock—Clarence Dillon—reaped great riches from some of the rottenest financial transactions of our day. One does not take comfort from the placement of such a man in control of the Treasury Department.

Allen Dulles

Some extremely disturbing documents from Nazi archives have appeared concerning Dulles' secret negotiations with the Nazis in 1943. Two counteracting points must be kept in mind in relation to these documents: (1) they are Nazi documents; (2) they have been publicized by Jewish newspapers and magazines for almost a year without any attempt at refutation by Dulles.

Dulles is shown conferring with SS-Intelligence emissary Prince Max-Egon Hohenlohe in Geneva in February 1943. He is placed on record as stating that he does not reject National Socialism in its basic ideas and as re-

questing the Nazis to "act more skillfully in the Jewish question to avoid causing a big stir" (the quote is from the documents as translated by various Jewish publications). An editorial last August in the Observer, Jewish newspaper in Nashville, commented:

"If it is not proved true . . . that Allen Dulles, the present head of our Central Intelligence Agency, tried to make a deal with Hitler in early 1943—when the gas chambers were smothering out the lives of millions of Jews and others—we should deny it. If it is true, as the documents show that Dulles had in effect concurred in the Nazi policy of wiping out the Jews' and that he had 'clearly evinced anti-Semitic tendencies' (the two quotes are from the Nazi documents)—I repeat, if all this is borne out, then it is dangerous to the security of the U.S., and especially to citizens of the Jewish faith, that this same man should head one of the most important Federal agencies of the United States. The White House ought to take note."

A similar cry was heard from J. I. Fishbein, editor of the Chicago Sentinel, who wrote that "an explanation is in order . . . there are elements of this story that are disturbing . . . it is the duty of President Eisenhower to personally investigate and issue a public statement at the earliest opportunity. It is far too serious to go unanswered."

Yet it has gone unanswered. And there are some extremely important questions which come to mind, also undoubtedly to go unanswered. Why does our intelligence agency not know of the whereabouts of leading Nazis in Argentina and other places? Why did the CIA not release the particular Nazi archives dealing with Eichmann until a West German investigator of charges against Nazi war criminals called attention to them? Why did the CIA know nothing of Nasser's plots in Jordan and Iraq, so that in the former the U.S. was led into sending troops and thus being scourged in the press of the neutralist nations?

Surely some of this information must have been available to President Kennedy. Must one be a Jew to resent the re-appointment of Dulles as head of the CIA?

J. Edgar Hoover

Any further comment beyond what has been printed about him in this magazine is unnecessary.

John Connally

The new Secretary of the Navy was the brains behind the successful gas and oil companies' lobbying operation in 1956 that resulted in passage of the Natural Gas Act, which set aside the Supreme Court's decision regulating natural gas. Every important gas and oil company in the nation contributed to the lobbying fund, thus in effect paying Connally. As Secretary of the Navy, Connally will "buy more oil than any other man in the world," as Drew Pearson put it. And he will supervise 23,700,000 acres of oil land now governed by the U.S. Navy.

Since Connally guided Vice President Lyndon Johnson's campaign for President and Vice President, Kennedy has left himself open once again to the charge that he is granting Johnson far more power than any other Vice President in history.